



# Real Estate in an IRA

*Property Investing with Your Retirement Funds*

## What is a Self-Directed IRA?

- An Individual Retirement Account that gives you more freedom of choice without being limited to the stock market
- Tax-deferred or tax-free growth of investments for retirement savings
- The ability to direct your IRA into types of asset that you're already invested in and comfortable with
- Trading with both personal and IRA funds
- Diversifying investments to lower your risk (futures, forex, real estate, notes, precious metals, etc.)

## Who is Midland IRA?

- **We're experienced.** Midland has been providing efficient, continued service since 2004.
- **We're local.** Midland is headquartered in Chicago's esteemed financial district.
- **We're fast.** Midland is staffed industry experts, providing quick answers and saving *you* time.
- **We educate.** Midland offers step-by-step instruction on transactions and continued investor education through seminars, online workshops and conferences.

## What is the process?



1

**Open a Midland account** - select from Traditional, Roth, Simple, SEP, Individual 401(k), Health Savings, or Coverdell Education accounts



2

**Fund your Midland account** by making a contribution or transferring/rolling over funds from existing IRA or 401(k)



3

**Find a property** that meets your needs, and agree to terms with the seller



4

Send reviewed closing documents and Midland paperwork to complete **purchase of the property by your IRA**



5

Midland deposits income and pays expenses through the IRA, as well as providing **record-keeping and annual reporting**

## What else do I need to know?

### I don't have enough money in my IRA. What are my options?

- IRAs can purchase in three ways. They can buy 100% of the property, they can partner with other individuals or IRAs, or they can obtain loans (non-recourse).

### What happens to the income made by the property?

- All profits (rental income, gains from sale, or dividends) must be deposited into the IRA account to remain tax-deferred.

### Who pays the property taxes?

- All expenses, including taxes, assessments, improvements, etc., must come from the IRA.

### Can I live in the property or vacation there?

- No. While the IRA is the owner, the IRA holder and the disqualified parties are not allowed to occupy the property. However, the holder may take property as a distribution by paying income tax on the current value of the property, in which case they would be able to live in the property.

## How much does it cost?

### First Year

Account Opening:	\$50
Real Estate Closing:	\$95
Account:	\$100
Asset (includes checks):	\$195-295*

\*Dependent on value of account

### Following Years

Account:	\$100
Asset:	\$195-295*

\*Dependent on value of account

## Who do I talk to?



### Daniel Hanlon

#### What to call for:

New accounts - sales and setup

#### How to reach him:

312-753-6383

dhanlon@midlandira.com

### Anne Marion

#### What to call for:

Existing accounts - client services

#### How to reach her:

312-753-6386

amarion@midlandira.com



We want to **earn** your business. Call to discuss your options today.

Already have an IRA? Get a free consultation on how and why to switch.

[www.midlandira.com](http://www.midlandira.com)